



BILLING CODE: 8025-01

## SMALL BUSINESS ADMINISTRATION

### SBIR/STTR Phase I to Phase II Transition Benchmarks

AGENCY: U.S. Small Business Administration

ACTION: Notice of Small Business Innovation Research and Small Business Technology Transfer Programs Phase I to Phase II Transition Benchmarks.

SUMMARY: The Small Business Administration (SBA) is publishing the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) Phase I to Phase II transition rate benchmarks for the 11 participating agencies for public comment. The rates are the minimum required ratio of past Phase II to Phase I awards that an awardee firm must maintain to be eligible for a new Phase I award from a particular agency. This requirement is described in Section 4(a) of the SBIR Policy Directive and the STTR Policy Directive which implements section 5165 of the SBIR/STTR Reauthorization Act of 2011.

DATES: Effective Date: [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] and when published on [www.sbir.gov](http://www.sbir.gov).

Comment Date: Comments to this notice must be received on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Comments on this notice may be submitted to Edsel Brown, Jr., Assistant Director, Office of Innovation, Small Business Administration, 409 Third Street SW, Washington, DC 20416; telephone (202) 205-6450; email ([Technology@sba.gov](mailto:Technology@sba.gov)). FOR FURTHER INFORMATION CONTACT: Edsel Brown, Jr., Assistant Director, Office

of Innovation, Small Business Administration, 409 Third Street SW, Washington, DC 20416; telephone (202) 205-6450; email (Technology@sba.gov).

SUPPLEMENTARY INFORMATION:

Section 4(a)(3)(iii) of the SBIR Policy Directive, which was published on August 6, 2012, at 77 FR 46806 and the STTR Policy Directive, which was published the same day at 77 FR 46855, requires each agency to establish an SBA-approved Phase I-Phase II Transition Rate benchmark. The Phase I-Phase II Transition Rate benchmark sets, for each agency, the minimum required number of Phase II awards the applicant must have received for a given number of Phase I awards during a specified period. If an applicant has won prior SBIR/STTR awards, and does not meet the benchmark rate of the agency to which it is applying, the applicant is not eligible for an SBIR or STTR Phase I award from that agency for a period of one year from the date of submission of the proposal or application. A firm's Phase II transition rate is calculated over a specified 5, 10, or 15 year period, as the ratio of previous Phase II awards to previous Phase I awards, expressed as a percentage. Each of the participating agencies has selected a rate and time period. These are presented below in Table 1.

SBA has reviewed and approved these benchmarks. However, § 5165 of the SBIR/STTR Reauthorization Act of 2011 requires SBA to publish, at least 60 days before becoming effective, each agency's system and minimum performance standard, and each approval by SBA. SBA will review all comments received in response to this notice and issue the final transition rates within 60 days of the date this notice is published. These rates will be available at [www.sbir.gov](http://www.sbir.gov).

Table 1.

Agency	Benchmark Rate (Phase II / Phase I)	Length of Period (years)
Department of Agriculture	0.25	5
Department of Commerce (National Institute of Standards and Technology)	0.25	5
Department of Commerce (National Oceanic and Atmospheric Administration)	0.25	5
Department of Defense	0.25	5
Department of Education	0.25	10
Department of Energy	0.25	5
Department of Health and Human Services	0.25	5
Department of Homeland Security	0.25	5
Department of Transportation	0.45	5
Environmental Protection Agency	0.25	10
National Aeronautics and Space Administration	0.25	5
National Science Foundation	0.25	5

For greater detail on the Phase I to Phase II transition rates, see Section 4(a)(3)(iii) of the SBIR Policy Directive and the STTR Policy Directive. [[www.sbir.gov/node/379093](http://www.sbir.gov/node/379093)]

Authority: 15 U.S.C. 638 (9).

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Associate Administrator for Investment and Innovation.

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